#### STATE OF UTAH

DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

F	O	R	Μ	3

AMENDED REPORT (highlight changes)

						5. MINERAL LEASE NO:	
	APPLICATION FOR PERMIT TO DRILL						6. SURFACE: Federal
1A. TYPE OF WO	PRK: DR	ILL 🗾 I	REENTER [	DEEPEN		7. IF INDIAN, ALLOTTEE	OR TRIBE NAME:
B. TYPE OF WEI	LL: OIL 🔲	GAS 🗾	OTHER	SIN	GLE ZONE MULTIPLE ZON	E . UNIT or CA AGREEME	NT NAME:
2. NAME OF OPE	RATOR:	······································	**		<del></del>	9. WELL NAME and NUM	BER:
Enduring R	esources, Ll	-C				Bonanza 9-25-	42-6
3. ADDRESS OF		Donus		CO 90	PHONE NUMBER:	10. FIELD AND POOL, OF	R WILDCAT:
4 10015101105	t., Ste 1500 WELL (FOOTAGES	<del>```</del>		TE CO ZIP 802		Undesignated  11. QTR/QTR, SECTION.	- landeur
4. LOCATION OF AT SURFACE:	1857' FNL -	567' FEL	65848	6x 40	0.066650	MERIDIAN:	- · · · · · · · · · · · · · · · · · · ·
	PRODUCING ZONE	_	44366	10- 401	09, 135750	SEINE 0 8	9S 25E
14. DISTANCE IN	MILES AND DIREC	TION FROM NEAF	REST TOWN OR PO	OST OFFICE:		12. COUNTY:	13. STATE:
43.5 mile:	s Southeast	of Vernal, U	JT			Uintah	UTAH
15. DISTANCE TO	NEAREST PROPE	RTY OR LEASE L	INE (FEET)	16. NUMBER O	F ACRES IN LEASE:	17. NUMBER OF ACRES ASSIGN	NED TO THIS WELL:
567'					640		40 acres
	NEAREST WELL (		LETED, OR	19. PROPOSED	DEPTH:	20. BOND DESCRIPTION:	
APPLIED FOR 1000' +	R) ON THIS LEASE (	FEET)		ŀ	6,840	RLB0008031	
	(SHOW WHETHER	DF, RT, GR, ETC	):	22. APPROXIM	ATE DATE WORK WILL START:	23. ESTIMATED DURATION:	
5457'	RT-KB	,,,	,-	4/30/200		20 days	
						<u></u>	
24.			PROPOS	SED CASING A	ND CEMENTING PROGRAM		
SIZE OF HOLE	CASING SIZE, G	RADE, AND WEIG	HT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUA	ANTITY, YIELD, AND SLURRY WEI	GHT
20"	14"	line pipe		40	3 yards	Ready Mix	
11"	8-5/8"	J-55	24#	2,016	Premium Lead	138 sxs 3	.50 11.1
-		·			Premium Tail	138 sxs 1	.15 15.8
7-7/8"	4-1/2"	N-80	11.6#	6,840	Class G	107 xs	3.3 11.0
<del></del>	 				50/50 Poz Class G	714 sxs 1	.56 14.3
	<u> </u>		1		<u> </u>		
25.				ATTA	CHMENTS		
VERIFY THE FOL	LOWING ARE ATTA	CHED IN ACCOR	DANCE WITH THE	UTAH OIL AND GAS C	ONSERVATION GENERAL RULES:		
WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER					Z COMPLETE DRILLING PLAN		
EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER					FORM 5, IF OPERATOR IS PE	ERSON OR COMPANY OTHER THA	IN THE LEASE OWNER
·	<del></del>						
NAME (PLEASE I	PRINT) Evette	Bissett			TITLE Regulatory Co	ompliance Assistant	
SIGNATURE	Juett.	Bug	2004		DATE 2/5/2007		
(This space for Sta	te use only)				Approved by the		
					Utah Division of Oil, Gas and Mining	RECE	IVED
ADI NI MADED ACC	DICNED. L	3-047-3	30049		•	KEUE	.1 4 L D
API NUMBER ASS	SIGNED:	J U1 1 .	<del>- 1                                   </del>		APPROVAL:	FEB 0	9 2007
				Da	ate: 07-17-120	1 60 0	<u> </u>

(11/2001)

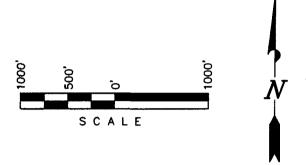
Federal Approval of this Action is Necessary

DIV. OF OIL, GAS & MINING

#### T9S, R25E, S.L.B.&M. W.C. Found 1935 S89°59'E 39.86 (G.L.O.) Bress Cop 0.5' Above Ground, Pile S89'59'15"E - 2761.83' (Measured to W.C.) of Stones S89'59'E 39.77 (G.L.O.) S89'59'15"E - 2629.82' (Measured to true corner.) Found 1935 Brass Cap 2.00 0.3' Above Ground With (G.L.O.) Set Stone 0.5' South Corner of Cap. (C.L.O.) Lot 3 Lot 2 Lot 1 Lot 4 8 38 N0.01 567 Proposed DRILLING WINDOW Found 1977 Bress Cap 1.1' Above Ground With **WELL LOCATION:** Set Stone 0.1' West of Cap. BONANZA 9-25-42-6 6 NO'09'W 40.04 (G.L.O.) ELEV. UNGRADED GROUND = 5,442.1' છ 05 6, N0.01 N0010'44"W Found 1977 Bress Found 1977 Brass Cap 0.5' Above Cap 1.0' Above Ground. Pile of Ground. Stones. S89°59'40"E - 2631.96' (Meas.) N89'54'W 39.90 (G.L.O.) N89'58'W 39.88 (G.L.O.) SECTION CORNERS LOCATED BONANZA 9-25-42-6 (Proposed Well Head) BASIS OF ELEVATION IS BENCH MARK 46EAM 1965 NAD 83 Autonomous LOCATED IN THE SW 1/4 OF SECTION 23, T9S, LATITUDE = $40^{\circ} 04' 00.09"$ R24E, S.L.B.&M. THE ELEVATION OF THIS BENCH LONGITUDE = 109° 08' 11.32" MARK IS MARKED ON THE BONANZA 7.5 MIN. QUADRANGLE AS BEING 5550'.

#### **ENDURING RESOURCES**

WELL LOCATION, BONANZA 9-25-42-6. LOCATED AS SHOWN IN THE SE 1/4 NE 1/4 OF SECTION 6, T9S, R25E, S.L.B.&M. UINTAH COUNTY, UTAH,



#### NOTES:

- 1. Well footages are measured at right angles to the Section Lines.
- 2. Bearings are based on Global Positioning Satellite observations.

THIS IS TO CERTIFY THE ABOVE PLAT WAS PREPARED FROM THE DO NOTES OF ACTUAL SURVEYS MADE BY ME OF CONDER ON SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDE

#### TIMBERLINE LAND SURVEYING. INC.

38 WEST 100 NORTH. - VERNAL, UTAH 84078 (435) 789-1365

DATE SURVEYED: 08-11-06	SURVEYED BY: M.S.B.	SHEET
DATE DRAWN: 08-15-06	DRAWN BY: M.W.W.	2
SCALE: 1" = 1000'	Date Last Revised:	OF 10

#### SELF-CERTIFICATION STATEMENT

The following self-certification statement is provided per federal requirements dated June 15, 1988.

Please be advised that Enduring Resources, LLC is considered to be the operator of the following well.

#### Bonanza 9-25-42-6

Surface Location: SENE Sec. 6-9S-25E

1857' FNL - 567' FEL

Lease Serial No.: UTU-81217

Uintah County, Utah

Enduring Resources, LLC is responsible under the terms and conditions of the lease for the operations conducted upon leased lands. Bond coverage is provided by UTB000173.

2/6/2007

Evette Bissett

Bissett Date

Regulatory Compliance Assistant Enduring Resources, LLC

475 17th Street, Suite 1500

Denver, CO 80202

(303) 350-5719

# Enduring Resources, LLC Bonanza 9-25-42-6 SENE 6-9S-25E Uintah County, Utah

Federal Lease: UTU-81217

#### **ONSHORE ORDER 1 - DRILLING PLAN**

#### 1. <u>Estimated Tops of Geological Markers:</u>

Formation	Depth (K.B.)
Uinta	Surface
Green River	30
Wasatch	3330
Mesaverde	4727

#### 2. <u>Estimated Depths of Anticipated Water, Oil, Gas or Other Minerals:</u>

Substance	Formation	Depth (K.B.)
	KB-Uinta Elevation: 5457'	
Oil / Gas	Green River	30
Oil /Gas	Wasatch	3330
Oil /Gas	Mesaverde	4799
	Estimated TD	6840

An 11" hole will be drilled to approximately 2000 feet. The depth will be determined by the depth that the Birds Nest zone is encountered. The hole will be drilled 400 feet beyond the top of the Birds Nest zone and surface casing will be set.

#### 3. Pressure Control Equipment: (3000 psi schematic attached)

- A. Type: Eleven (11) inch double gate hydraulic BOP with eleven (11) inch annular preventer on 3,000 psi casinghead, with 3,000 psi choke manifold equipped per the attached diagram. BOPE as specified in *Onshore Oil & Gas Order Number 2.* A PVT, stroke counter and flow sensor will be installed to check for flow and monitor pit volume.
- B. Pressure Rating: 3,000 psi BOPE
- C. Kelly will be equipped with upper and lower Kelly valves.
- D. Testing Procedure: Annular Preventer

At a minimum, the annular preventer will be pressure tested to 50% of the stack rated working pressure for a period of ten (10) minutes or until provisions of the test are met, whichever is longer.

At a minimum, the above pressure test will be performed:

- 1. When the annular preventer is initially installed:
- 2. Whenever any seal subject to test pressure is broken;
- 3. Following related repairs; and
- 4. At thirty (30) day intervals.

In addition to the above, the annular preventer will be functionally operated at least weekly.

#### **Blow-Out Preventer**

At a minimum, the BOP, choke manifold, and related equipment will be pressure tested to the approved working pressure of the BOP stack (if isolated from the surface casing by a test plug) or to 70% of the internal yield strength of the surface casing (if the BOP is not isolated from the casing by a test plug). Pressure will be maintained for a period of at least ten (10) minutes or until the requirements of the test are met, whichever is longer.

At a minimum, the above pressure test will be performed:

- 1. When the BOP is initially installed;
- 2. Whenever any seal subject to test pressure is broken:
- 3. Following related repairs; and
- 4. At thirty (30) day intervals.

In addition to the above, the pipe and blind rams will be activated each trip, but not more than once each day. All BOP drills and tests will be recorded in the IADC driller's log.

#### E. Miscellaneous Information:

The blowout preventer and related pressure control equipment will be installed, tested and maintained in compliance with the specifications in and requirements of *Onshore Oil & Gas Order Number 2*.

#### 4. **Proposed Casing & Cementing Program:**

#### A. Casing Program: All New

Hole Size	Casing Size	Wt./Ft.	Grade	Joint	Depth Set (MD)
20"	14" O.D.				40' (GL)
11"	8-5/8"	24#	J-55	ST&C	0 – 2,016' (KB) est.
7-7/8"	4-1/2"	11.6#	N-80	LT&C	0 – 6840 (KB)

The surface casing will have guide shoe, 1 joint, insert float collar. Centralize the shoe joint with bowspring centralizers in the middle and top of the joint and the next16 joints with bowspring centralizers on every other collar (8 centralizers total). Thread lock guide shoe.

Casing string(s) will be pressure tested to 0.22 psi/foot of casing string length or 1500 psi, whichever is greater (not to exceed 70% of the internal yield strength of the casing), after cementing and prior to drilling out from under the casing shoe.

#### **B.** Casing Design Parameters:

Depth (MD)	Casing	Collapse(psi)/SF	Burst (psi)/SF	Tension(mlbs)/SF
40' (GL)	14" OD			
2016' (KB)	8-5/8", 24#/ft, J55, STC	1370/1.52(a)	2950/3.28(b)	244/5.81(c)
6840' (KB)	4-1/2", 11.6#/ft, N-80, LTC	6350/1.79(d)	7780/2.38 (e)	223/3.27(f)

- (a.) based on full evacuation of pipe with 8.6 ppg fluid on annulus
- (b.) based on 8.6 ppg gradient with no fluid on annulus
- (c.) based on casing string weight in 8.6 ppg mud
- (d.) based on full evacuation of pipe with 10.0 ppg fluid on annulus
- (e.) based on 9.2 ppg gradient, gas to surface, with no fluid on annulus, no gas gradient
- (f.) based on casing string weight in 9.2 ppg mud

#### PROPOSED CEMENTING PROGRAM

#### Surface Casing (if well will circulate)-Cemented to surface

CASING	SLURRY	FT. of FILL	CEMENT TYPE	sxs	EXCESS (%)	WEIGHT (ppg)	YIELD (ft <sup>3</sup> /sx)
8-5/8"	Lead	1516	Premium cement + 16% gel + 0.25 pps celloflake	138	25%	11.1	3.50
8-5/8"	Tail	500	Premium cement + 2% CaC <sub>2</sub> + 0.25 pps celloflake	138	25%	15.8	1.15

A cement top job is required if cement fallback is greater than 10' below ground level. Top job (weight 15.8 ppg, yield 1.15 ft<sup>3</sup>/sx) cement will be premium cement w/ 3% CaCl<sub>2</sub>.+0.25 pps celloflake. Volume as required

#### Surface Casing (if well will not circulate) - Cemented to surface

		FT. of			EXCESS	WEIGHT	YIELD
CASING	SLURRY	FILL	CEMENT TYPE	SXS	(%)	(ppg)	(ft <sup>3</sup> /sx)
8-5/8"	Lead	500	Premium cement + 2% CaCl <sub>2</sub> + 0.25 pps celloflake	138	25	15.8	1.15
8-5/8"	Top job	As req.	Premium cement + 3% CaCl <sub>2</sub> + 0.25 pps celloflake	As Req.		15.8	1.15

#### Production Casing and Liner - Cemented TD to 300' above base of surface casing

CASING	SLURRY	FT. of FILL	CEMENT TYPE	SXS	EXCESS (%)	WEIGHT (ppg)	YIELD (ft <sup>3</sup> /sx)
4-1/2"	Lead	1214	Class "G" + 5% NaCl + 12% Gel + 0.25 pps celloflake + 0.2% antifoam + 0.25% fluid loss + 1% extender	107	25	11.0	3.3
4-1/2"	Tail	3910	50/50 POZ Class G + 2% gel +1% CaCl <sub>2</sub> + 0.2% dispersant + 0.2% fluid loss + 0.1% antifoam	714	25	14.3	1.56

Cement volumes for the 4-1/2" Production Casing will be calculated to provide a top of cement to 300' above base of surface casing. Cement volumes are approximate and were calculated under the assumption that a gauge hole will be achieved. Actual cement volumes may vary due to variations in the actual hole size and will be determined by running a caliper log on the drilled hole. Actual cement types may vary due to hole conditions and cement contractor used.

All waiting on cement (WOC) times will be adequate to achieve a minimum of 500 psi compressive strength at the casing shoe prior to drilling out.

#### 5. Drilling Fluids (mud) Program:

Interval (MD)	Mud Weight	Fluid Loss	Viscosity	Mud Type
0' – 2016' (KB)		No cntrl		Air/mist
2000'-3000' (KB)	8.4-8.6	No cntrl	28-36	Water
3000'-6840' (KB)	8.8-9.8	8 - 10 ml	32-42	Water/Gel

Sufficient mud material(s) to maintain mud properties, control lost circulation and contain a blowout will be available at the well site during drilling operations.

#### 6. Evaluation Program:

Tests: No tests are currently planned.

Coring: No cores are currently planned.

Samples: No sampling is currently planned.

#### Logging

- Dual Induction SFL /Gamma Ray/Caliper/SP/TDLT/CNL/ML TD to Base Surface Casing
- Cement Bond Log / Gamma Ray:
   TD to Base of Surface Casing or Top of Cement if below Base of Surface Casing

<u>Stimulation</u>: A stimulation or frac treatment will be designed for completion of this well based on openhole log analysis. The drill site, as approved, will be sufficient size to accommodate all completion activities.

#### 7. Abnormal Conditions:

No abnormal temperatures or pressures are anticipated. No H<sub>2</sub>S has been encountered or known to exist from previous wells drilled to similar depths in the general area.

Maximum anticipated bottom hole pressure equals approximately 3557 psi (calculated at 0.52psi/foot of hole) and maximum anticipated surface pressure equals approximately 2052 psi (anticipated bottom hole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot of hole).

#### 8. Anticipated Starting Dates:

Anticipated Commencement Date- Within one year of APD issue.

• Drilling Days- Approximately 10 days

Completion Days - Approximately 10 days

Anticipate location construction within 30 days of permit issue.

#### 9. Variances:

None anticipated

#### 10. Other:

A Cultural Resource Inventory and Paleontology reconnaissance shall be conducted for the well location, access route and pipeline. The reports shall be submitted to the Division of Oil, Gas and Mining and the School and Institutional Trust lands Administration upon their receipt.

Single Shot directional surveys will be dropped every 2000 feet to monitor hole angle.

# ENDURING RESOURCES Bonanza 9-25-42-6 Section 6, T9S, R25E, S.L.B.&M.

FROM THE INTERSECTION OF U.S. HIGHWAY 40 AND 500 EAST STREET IN VERNAL, UTAH PROCEED IN AN EASTERLY THEN SOUTHERLY DIRECTION ALONG U.S. HIGHWAY 40 APPROXIMATELY 3.3 MILES TO THE JUNCTION OF STATE HIGHWAY 45; EXIT RIGHT AND PROCEED IN A SOUTHERLY DIRECTION ALONG STATE HIGHWAY 45 APPROXIMATELY 38.6 MILES TO THE INTERSECTION OF A CLASS D COUNTY ROAD; EXIT LEFT AND PROCEED IN A NORTHEASTERLY THEN SOUTHEASTERLY DIRECTION ALONG CLASS D COUNTY ROAD APPROXIMATELY 3.4 MILES TO THE INTERSECTION OF A CLASS D COUNTY ROAD TO THE NORTH; EXIT LEFT AND PROCEED IN A NORTHERLY DIRECTION ALONG CLASS D COUNTY ROAD APPROXIMATELY 1.4 MILES TO THE PROPOSED ACCESS ROAD; FOLLOW ROAD FLAGS IN A WESTERLY DIRECTION APPROXIMATELY 675 FEET TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 43.5 MILES IN A SOUTHEASTERLY DIRECTION.

#### Enduring Resources, LLC Bonanza 9-25-42-6 SENE 6-9S-25E

Uintah County, Utah

Federal Lease: UTU-81217

#### **MULTI-POINT SURFACE USE & OPERATIONS PLAN**

#### 1. Existing Roads:

From The Intersection Of U.S. Highway 40 And 500 East Street In Vernal, Utah Proceed In An Easterly Then Southerly Direction Along U.S. Highway 40 Approximately 3.3 Miles To The Junction Of State Highway 45; Exit Right And Proceed In A Southerly Direction Along State Highway 45 Approximately 38.6 Miles To The Intersection Of A Class D County Road; Exit Left And Proceed In A Northeasterly Then Southeasterly Direction Along Class D County Road Approximately 3.4 Miles To The Intersection Of A Class D County Road To The North; Exit Left And Proceed In A Northerly Direction Along Class D County Road Approximately 1.4 Miles To The Proposed Access Road; Follow Road Flags In A Westerly Direction Approximately 675 Feet To The Proposed Location.

Total Distance From Vernal, Utah To The Proposed Well Location Is Approximately 43.5 Miles In A Southeasterly Direction.

#### 2. Planned Access Roads:

The proposed access road will be approximately 675 feet of new construction. Please refer to Topo Map "B" for the takeoff point for the new ON-LEASE road construction. Access into section 6 will be a Class D County Road, which will be improved for a distance of 1.4 miles, if needed.

The proposed access road will be utilized to transport personnel, equipment and supplies to and from the proposed well site during drilling, completion and production operations. The road will be utilized year round.

The access road will be crowned 2% to 3%, ditched and constructed with a running surface of 18 feet and a maximum disturbed width of 30 feet right-of-way. Maximum grade of road is 5% or less. Graveling or capping the roadbed will be performed as necessary to provided a well constructed, safe road. No fence crossings, culverts, turnouts, cattle guards or major cuts and fills are required. Prior to construction or upgrading, the proposed road shall be cleared of any snow and allowed to dry completely.

Surface disturbance and vehicular traffic will be limited to the proposed location and proposed access route. Any additional area needed will be approved in advance. All construction shall be in conformance with the standards outlined in the BLM and Forest Service publication: <u>Surface Operating Standards for Oil and Gas Exploration and Development. 1989.</u>

The road surface and shoulders will be kept in a safe usable condition and will be maintained in accordance with the original construction standards. All drainage ditches will be kept clear and free flowing and will be maintained according to original construction standards. The access road surface will be kept free of trash during operations. All traffic will be confined to the approved disturbed surface. Road drainage crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the drainages be blocked by the road bed. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided. When snow is removed from the road during the winter months, the snow shall be pushed outside of the borrow ditches and the turnouts kept clear so that snowmelt will be channeled away from the road.

#### 3. <u>Location of Existing Wells within a One-Mile radius (See "Topo" Map "C" attached):</u>

The following wells are wells located within a one (1) mile or greater radius of the proposed location.

a.	None:	Water Wells:
b.	None:	Injection Wells:
C.	None:	Producing Wells:
_1	N.L	Datition of VAC - II

d. None: Drilling Wells:
e. None: Shut-in Wells:

f. (1): Temporarily Abandoned Wells:

1. Little Joe 9-25-41-7, NENE, Sec 7

g. None: Disposal Wells:h. (3): Abandoned Wells:

Hathaway & Glasco 1-A, SWNE, Sec 5
 Hathaway & Glasco 1-B, SWNE, Sec 5

3. Federal 6-1, NENW, Sec 6

i. None: Dry Holes:

j. None: Observation Wells:

k. (3): Pending (staked) Wells:

1. There are three other wells staked in this section

#### 4. Location of Existing and/or Proposed Facilities:

All production facilities will be located on the disturbed portion of the well pad and at a minimum of 25 feet from the toe of the back slope or the top of the fill slope.

A dike will be constructed completely around those production facilities which contain fluids (i.e. production tanks, produced water tanks and/or heater treater). These dikes will be constructed of compacted subsoil, be impervious, hold 100% of the capacity of the largest tank and be independent of the back cut.

All permanent (on site for six months or longer) above the ground structures constructed or installed, including pumping units, will be painted a flat, non-reflective, earth tone color to match one of the standard environmental colors, as determined by the rocky Mountain Five State Inter-Agency Committee

All facilities will be painted within 6 months of installation. The color shall be Dark Olive Black. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded.

Any necessary pits will be properly fenced to protect livestock and prevent wildlife entry.

Gas Gathering Pipeline: ON-LEASE 1,030' BLM
OFF-LEASE 14,046 See Chart

Segment	Owner	Length
1	BLM	1,030
2	State	2,643
3	Fee	4,593
4	Fee	1,970
5	State	1,455
6	Fee	1,165
7	State	2,140
8	Fee	80
Total	44.7	15,076

BLM access and pipeline r-o-w is granted by APD, a SITLA pipeline easement for sections 8 and 17 has been applied for and we are negotiating a pipeline agreement with Bonanza, LLC for the fee lands.

If the well is capable of economic production, a surface gas gathering line and related equipment shall be installed. The surface gas gathering line shall be in use year round. A total of approximately 15,076 feet of surface gas gathering pipeline (6" or less) shall be laid on the surface to minimize surface disturbance:

The proposed pipeline will begin at the well site; be laid on the side of the access road and tie-into pipeline located in the NW/4 of Section 16, T9S-R25E.

The meter run will be housed. The gas gathering line will be buried or anchored down from the wellhead to the meter.

Upon plugging and abandonment, the gas gathering line will be removed and the disturbed area will be re-contoured and restored as near as practical to the original condition. If necessary, re-seeding operations will be performed after completion of other reclamation operations.

#### 5. <u>Location and Type of Water Supply:</u>

Water will be purchased from American Gilsonite from the following source. Water Right No. 49-222, Application/Claim No. A29909/a4958, Certificate No. 9915 ("AGC Water Right"). The AGC Water Right consists of nineteen underground water wells located in Sec.2, T10S, R24E, SLBM, piped to and stored in a cistern located in Section 25, T9S, R24E.

Water will be hauled to the location over the roads marked on "Topo" Maps "A" and "B."

No water well is to be drilled on this lease.

#### 6. Source of Construction Materials:

Surface and subsoil materials in the immediate area will be utilized for location and access road construction.

Any gravel will be obtained from a commercial source; however, gravel sized rock debris associated with location and access road construction may be used as access road surfacing material.

#### 7. Methods of Handling Waste Materials:

Drill cuttings will be contained and buried in the reserve pit.

Drilling fluids, including salts and chemicals, will be contained in the reserve pit will be removed and disposed of at an approved waste disposal facility within 120 days after drilling is terminated.

The reserve pit well be constructed on the location and will not be located within natural drainage, where a flood hazard exits or surface runoff will destroy or damage the pit walls. The reserve pit will be constructed so that it will not leak, brake or allow discharge of liquids.

The reserve pit will be lined with ¼ felt and a minimum of 16 mm plastic with sufficient bedding used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash or scrap that could puncture the will be disposed of in the pit.

A chemical portable toilet will be furnished with the drilling rig. The toilet will be replaced periodically utilizing a licensed contractor to transport by truck the portable chemical toilet so that its contents can be delivered to the Vernal Wastewater Treatment Facility in accordance with state and county regulations.

Garbage, trash and other waste materials will be collected in a portable, self-contained, fully enclosed trash cage during operations. No trash well be burned on location.

All debris and other waste material not contained in the trash cage will be cleaned up and removed from the location immediately after removal of the drilling rig.

Any open pits will be fenced during the operations. The fencing will be maintained until such time as the pits are backfilled.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported or disposed of in association with the drilling, completion or testing of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported or disposed of in association with the drilling, completion or testing of this well.

Produced oil will be stored in an oil tank and then hauled by truck to a crude purchaser facility. Any produced water from the proposed well will be contained in a water tank and will then be hauled by truck to an approved disposal site.

#### 8. Ancillary Facilities:

During drilling operations, approximately 20 days, the site will be a manned camp. Three or four additional trailers will be on location to serve as the crews' housing and eating facilities. These will be located on the perimeter of the pad site within the topsoil stockpiles. Refer to Sheet 4.

#### 9. Well Site Layout: (Refer to Sheets #2, #3, and #4)

The attached Location Layout Diagrams described drill pad cross-sections, cuts and fills and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s) and surface material stockpiles(s).

Please see the attached diagram for rig orientation and access roads.

The top soil will be windrowed rather than piled. It will be reseeded and track walker at the time the location is constructed. Seeding will be with the determined during the onsite. (Refer to "Seed Mixture for Windrowed Top Soil Will included:" following herein.

The top soil removed from the pit area will be store separately and will not be reseeded until the pit is reclaimed.

All pits shall be fence to the following minimum standards:

- a. 39 inch net wire shall be used with at least one strand of barbed wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.
- b. The net wire shall be no more than 2 inches above the ground. The barbed wire shall be 3 inches over the new wire. Total height of the fence shall be at least 42 inches.
- c. Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
- d. Standard steel, wood or pipe posts shall be used between the corner braces. Maximum distance between any two fence posts shall be no greater than 16 feet.
- e. All wire shall be stretched by, using a stretching device, before it is attached to corner posts.
- f. The reserve pit fencing will be on three sides during drilling operations and on the fourth side when the rig moves off location. Pits will be fenced and maintained until cleanup.
- g. Location size may change prior to drilling the well due to the current rig availability. If the proposed location is not large enough to accommodate the drilling, the location will be re-surveyed and a Form 9 will be submitted.

#### 10. Plans for Surface Reclamation:

#### **Producing Location:**

- a. Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, materials, trash and debris not required for production.
- b. Immediately upon well completion, any hydrocarbons in the pit shall be removed in accordance with 40CFR 3162.7.
- c. Before any dirt work associated with location restoration takes place, the reserve pit shall be as dry as possible. All debris in it will be removed. Other waste and spoil materials will be disposed of immediately upon completion of operations.
- d. The reserve pit and that portion of the location not needed for production facilities / operations will be re-contoured to the approximated natural contours. The reserve pit will be reclaimed within 90 days from the date of well completion, weather permitting.
- e. To prevent surface water(s) from standing (ponding) on the reclaimed reserve pit area, final reclamation of the reserve pit will consist of "mounding" the surface 3 feet above surrounding round surface to allow the reclaimed pit area to drain effectively.
- f. Upon completion of back filling, leveling and re-contouring, the stockpiled topsoil will be spread evenly over the reclaimed area(s).

#### **Dry Hole/Abandoned Location:**

- i. Abandoned well sites, roads and other disturbed areas will be restored as nearly as practical to their original condition. Where applicable, these conditions include the re-establishment of irrigation systems, the re-establishment of appropriate soil conditions and re-establishment of vegetation as specified.
- ii. All disturbed surfaces will be re-contoured to the approximated natural contours with reclamation of the well pad and access road to be performed as soon as practical after final abandonment. If necessary, re-seeding operations will be performed after completion of other reclamation operations.

#### **Seed Mixture for Windrowed Top Soil Will Included:**

To be provided by the BLM

#### 11. Surface Ownership: Location, Access and Pipeline Route:

Wellsite: Bureau of Land Management

Access: Bureau of Land Management

Pipeline: Bureau of Land Management, SITLA, Fee – Bonanza, LLC

#### 12. Other Information

#### On-site Inspection for Location, Access and Pipeline Route:

The on-site was conducted on January 31, 2007

#### Attending were:

- 1. Melissa Hawk BLM
- 2. Brandon McDonald BLM
- 3. Dan Emmit BLM
- 4. Kolby Kay Timberline Surveying
- 5. Larry Rowell Ponderosa
- 6. Doug Hammond Enduring Resources

#### **Special Conditions of Approval:**

None for this well(s).

#### **Archeology:**

a. A Cultural Resource Inventory Report is pending and to be prepared by Montgomery Archaeological Consultants.

#### Paleontology:

b. A Paleontology Reconnaissance Report is pending and to be prepared by Intermountain Paleo-Consulting.

If, during operations, any archaeological or historical sites, or any objects of antiquity (subject to the Antiquities Act of June 8, 1906) are discovered, all operations which would affect such sites will be suspended and the discovery reported promptly to the surface management agency.

#### 13. <u>Lessee's or Operator's Representatives:</u>

#### Representatives:

Fax Tel:

Alvin R. (Al) Arlian
Landman – Regulatory Specialist
Enduring Resources, LLC
475 17<sup>th</sup> Street, Suite 1500
Denver, Colorado 80202
Office Tel: 303-350-5114

aarlian@enduringresources.com

303-573-0461

Teme Singleton
Vice President – Operations
Enduring Resources, LLC
475 17<sup>th</sup> Street, Suite 1500
Denver, Colorado 80202
Office Tel: 202 250 5711

Office Tel: 303-350-5711 Fax Tel: 303-573-0461

tsingleton@enduringresources.com

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved plan of operations, and any applicable Notice to Lessees. The operator is fully responsible for the actions of his/her/its subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

A complete copy of the approved APD and ROW grant, if applicable, shall be on location during construction of the location and drilling activities.

The operator or his/here/its contractor shall contact the BLM office at (435) 781-4400 forty-eight (48) hours prior to construction activities.

The BLM Office shall be notified upon site completion prior to moving on the drilling rig.

#### **Certification:**

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill-site and access route, that I am familiar with the conditions which presently exist, that the statements made in this plan are, to the best of my knowledge and belief, true and correct, and that the work associated with the operation proposed herein will be preformed by Enduring Resources, LLC and its contractors and subcontractors in conformity with this plan and terms and conditions with this plan and the terms and conditions under which it is approved.

Please be advised that Enduring Resources, LLC is considered to be the operator of the Bonanza 9-25-42-6 Well; SENE Section 6, Township 9 South, Range 25 East; Lease #:UTU-81217 Uintah County, Utah; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond coverage is provided by BLM Statewide Oil & Gas Lease Bond No. UTB000173 and State of Utah, Division of Oil, Gas & Mining Surety Bond No. RLB0008031

**ENDURING RESOURCES, LLC** 

Alvin (Al) R. Arlian 1

Landman - Regulatory Specialist

February 6, 2007



475 17<sup>™</sup> Street Suite 1500 Denver Colorado 80202 Telephone 303 573-1222 Fax 303 573 0461

February 6, 2007

Utah Division of Oil, Gas and Mining 1594 West North Temple, Suite 1210 P. O. Box 145801 Salt Lake City, Utah 84114-5801

Attn.: Ms. Diana Whitney

RE: Enduring Resources, LLC

Bonanza 9-25-42-6 SENE 6-9S-25E

Federal Lease: UTU-81217

Uintah County, Utah

Dear Ms. Whitney:

Enclosed is one original application to drill concerning the above-referenced proposed well.

Enduring Resources, LLC is requesting the Utah Division of Oil, Gas and Mining to hold this application and all future information as confidential.

If any questions arise or additional information is required, please contact me at 303-350-5719.

Very truly yours,

**ENDURING RESOURCES, LLC** 

Evette Bissett

Regulatory Compliance Assistant

**Enclosures** 

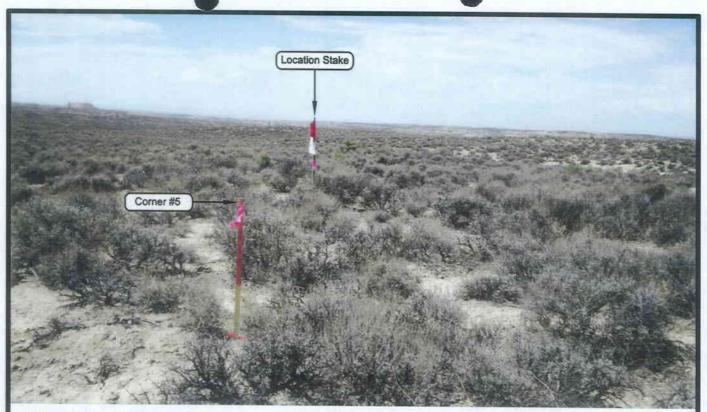


PHOTO VIEW: FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: WESTERLY



PHOTO VIEW: FROM BEGINNING OF PROPOSED ROAD

CAMERA ANGLE: WESTERLY

#### **ENDURING RESOURCES**

Bonanza 9-25-42-6 SECTION 6, T9S, R25E, S.L.B.&M.

#### LOCATION PHOTOS

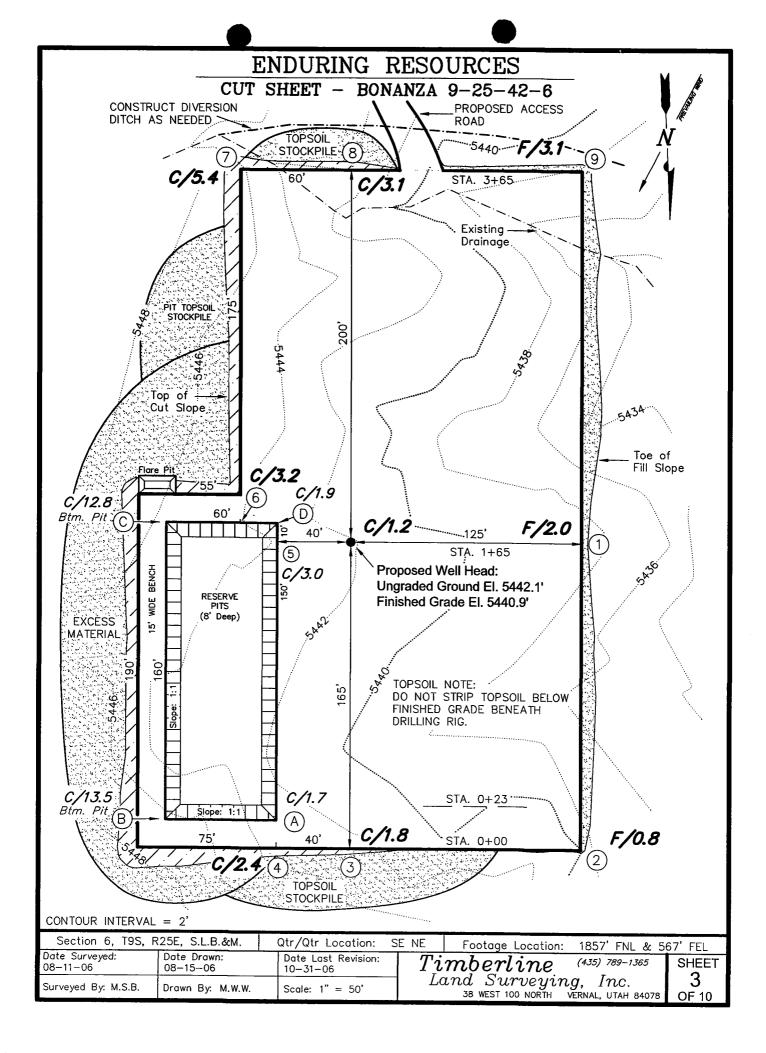
**DATE TAKEN: 08-11-06 DATE DRAWN: 08-15-06** 

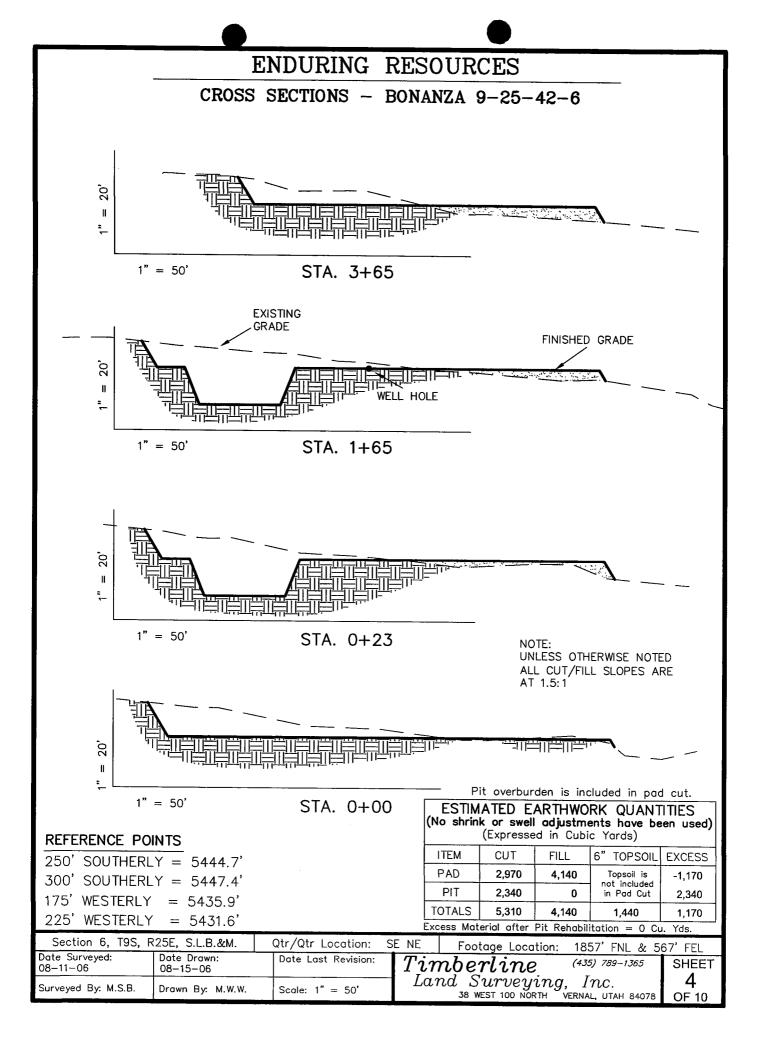
TAKEN BY: M.S.B. DRAWN BY: M.W.W.

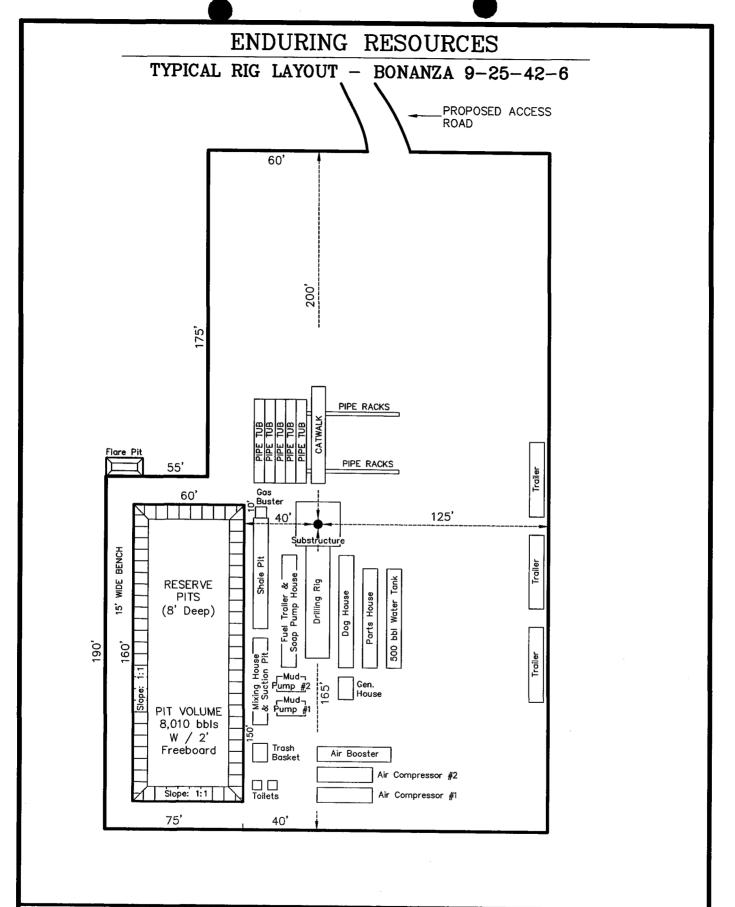
REVISED: 10-31-06

Timberline Land Surveying, Inc. 38 West 100 North Vernal, Utah 84078 (435) 789-1365

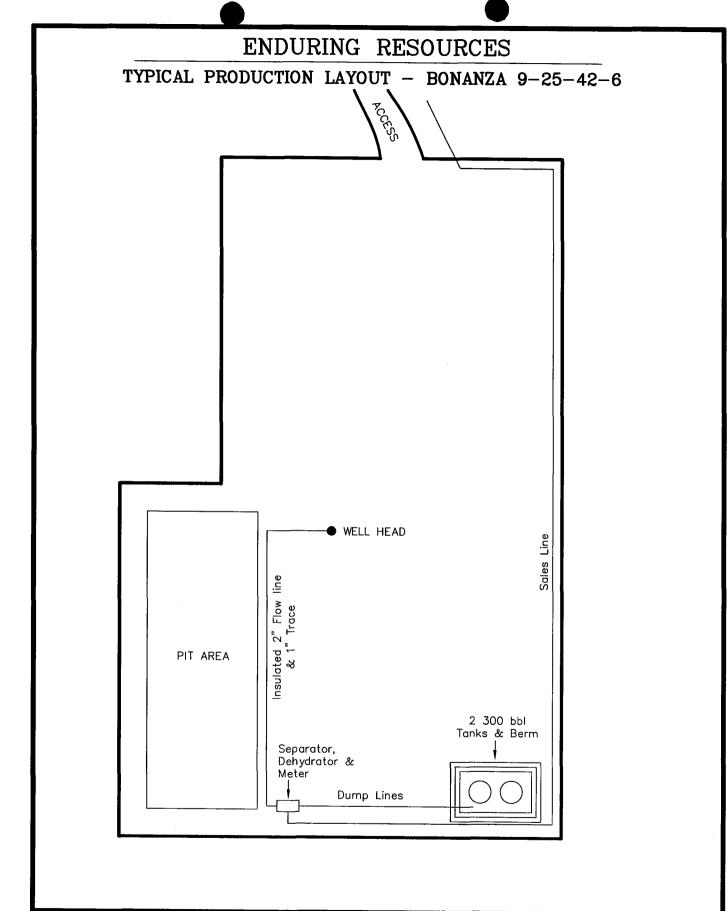
SHEET OF 10





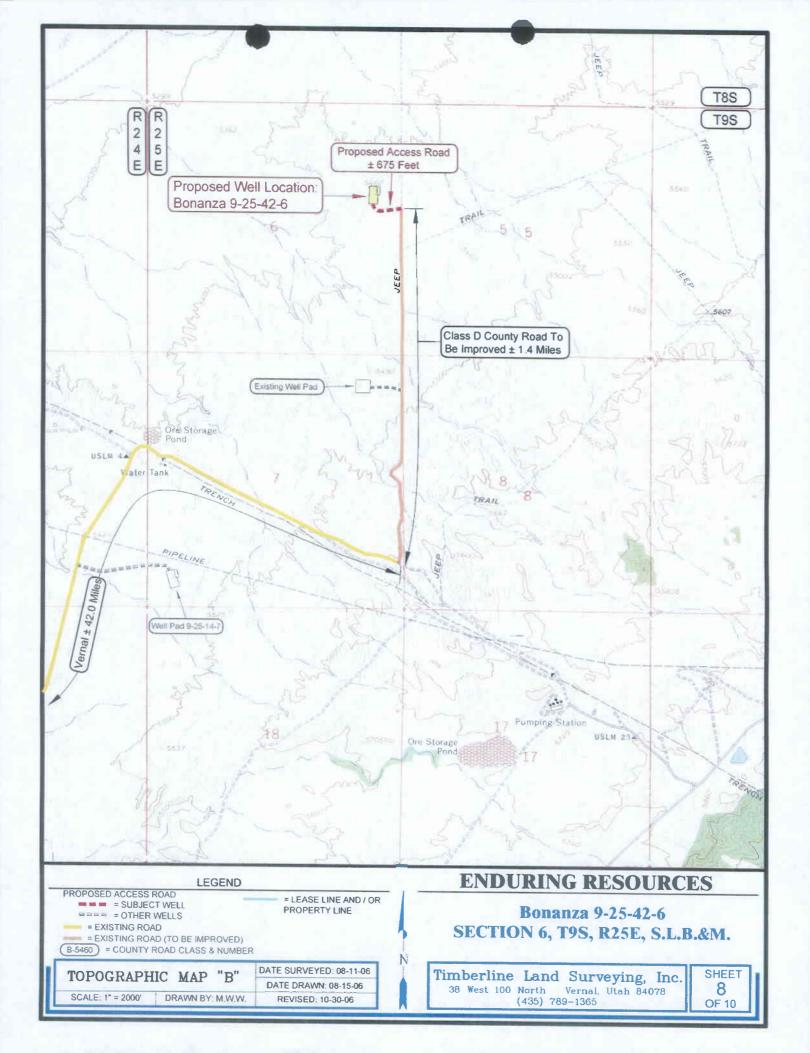


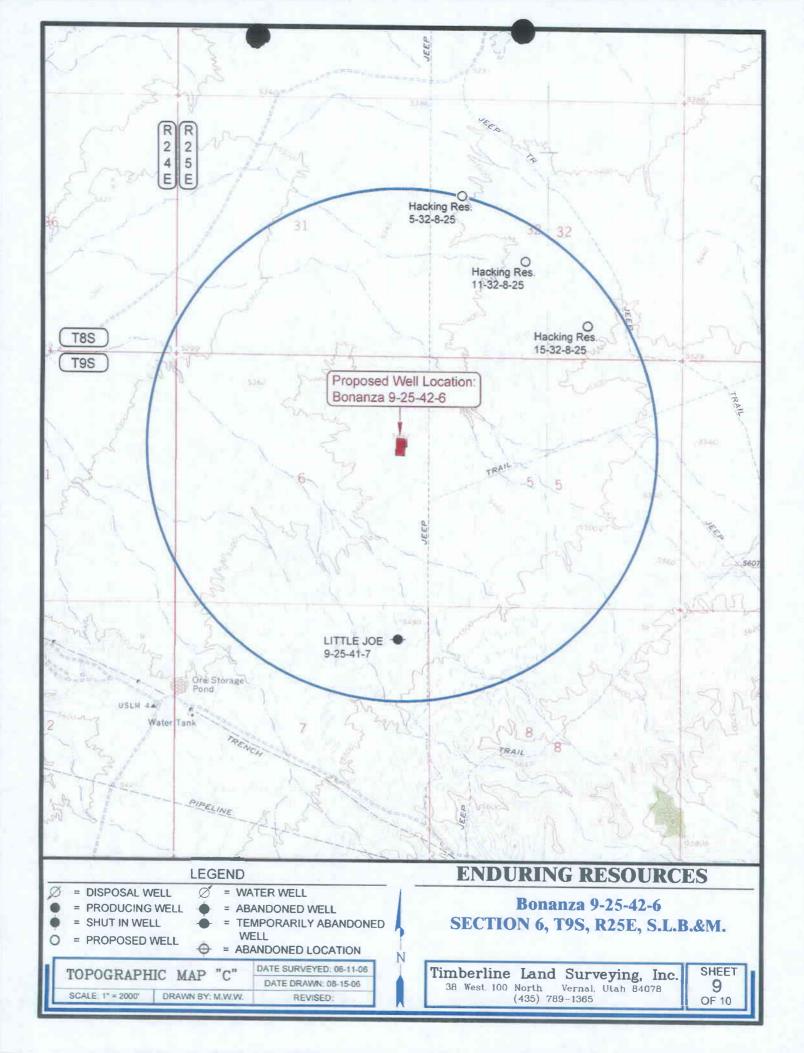
	R25E, S.L.B.&M.	Qtr/Qtr Location:	SE NE	Footage Location:	1857' FNL & 5	37' FEL
Date Surveyed: 08-11-06	Date Drawn: 08-15-06	Date Last Revision: 10-31-06		nberline	(435) 789-1365	SHEET
Surveyed By: M.S.B.	Drawn By: M.W.W.	Scale: 1" = 50'	- Lar	nd Surveying	$I,\ Inc.$ vernal, utah 84078	<b>5</b> OF 10

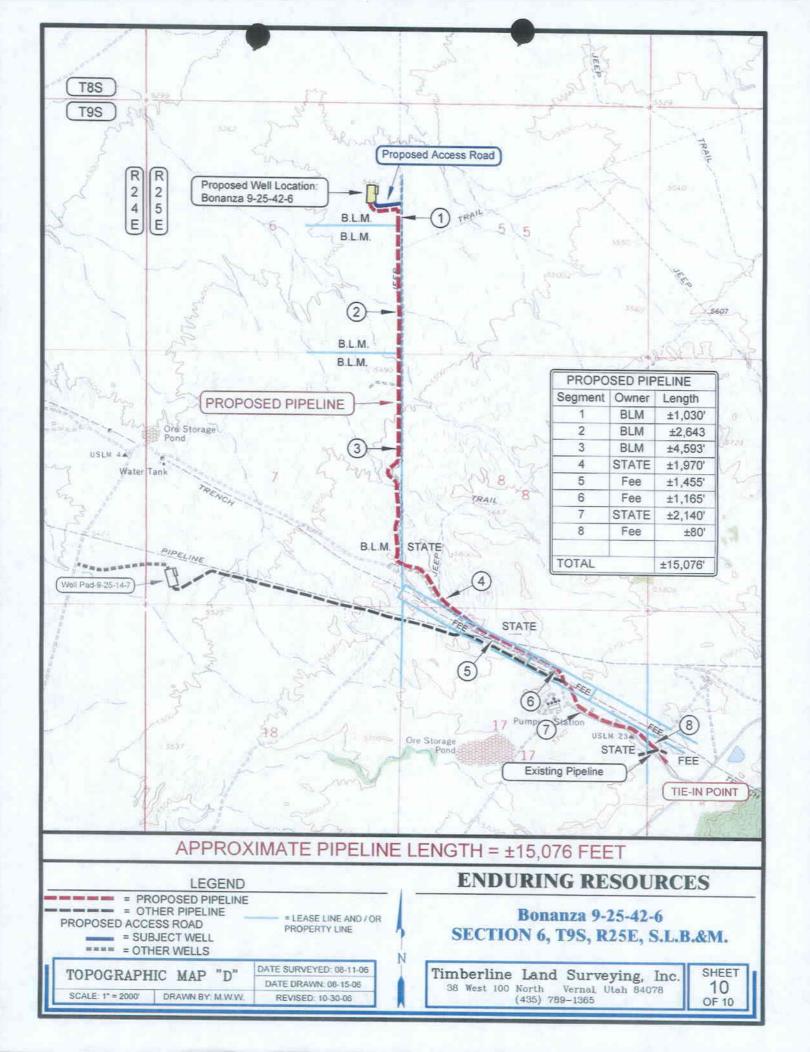


	R25E, S.L.B.&M.	Qtr/Qtr Location:	SE NE	Footage Location: 1857' FNL &	567' FEL
Date Surveyed: 08-11-06	Date Drawn: 08-15-06	Date Last Revision: 10-31-06	Tir	nberline (435) 789-1365	SHEET
Surveyed By: M.S.B.	Drawn By: M.W.W.	Scale: 1" = 50'	Lai	nd $Surveying,$ $Inc.$ 38 West 100 North Vernal, Utah 840:	<b>b</b> 8 OF 10

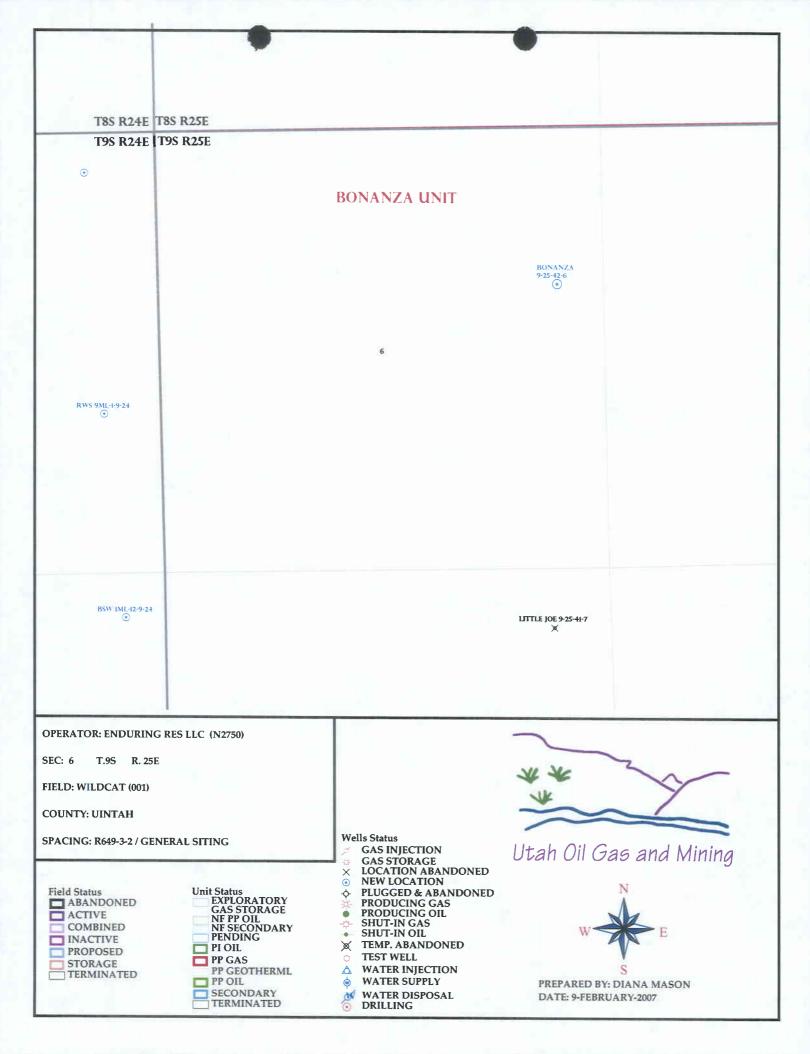








APD RECEIVED: 02/09/2007	API NO. ASSIGNED: 43-047-39049
WELL NAME: BONANZA 9-25-42-6  OPERATOR: ENDURING RESOURCES, LLC ( N2750 )	PHONE NUMBER: 303-350-5719
PROPOSED LOCATION:  SENE 06 090S 250E  SURFACE: 1857 FNL 0567 FEL  BOTTOM: 1857 FNL 0567 FEL  COUNTY: UINTAH  LATITUDE: 40.06665 LONGITUDE: -109.1358  UTM SURF EASTINGS: 658986 NORTHINGS: 443661  FIELD NAME: WILDCAT ( 1 )  LEASE TYPE: 1 - Federal  LEASE NUMBER: UTU-81217	
SURFACE OWNER: 1 - Federal	PROPOSED FORMATION: MVRD COALBED METHANE WELL? NO
Plat  Bond: Fed[1] Ind[] Sta[] Fee[]  (No. RLB0008031 )  Potash (Y/N)  Oil Shale 190-5 (B) or 190-3 or 190-13  Water Permit  (No. 49-222 )  RDCC Review (Y/N)  (Date: )  NA Fee Surf Agreement (Y/N)  Intent to Commingle (Y/N)	LOCATION AND SITING:  R649-2-3. Unit: BONANZA  R649-3-2. General     Siting: 460 From Qtr/Qtr & 920' Between Wells     R649-3-3. Exception  Drilling Unit     Board Cause No:     Eff Date:     Siting:  R649-3-11. Directional Drill
STIPULATIONS: 1- Jean Appin 2- Spains Sin	



### **United States Department of the Interior**

#### BUREAU OF LAND MANAGEMENT Utah State Office P.O. Box 45155 Salt Lake City, Utah 84145-0155

IN REPLY REFER TO: 3160 (UT-922)

February 12, 2007

Memorandum

To:

Assistant District Manager Minerals, Vernal District

From:

Michael Coulthard, Petroleum Engineer

Subject:

2007 Plan of Development Bonanza Unit, Uintah County,

Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following well is planned for calendar year 2007 within the Bonanza Unit, Uintah County, Utah.

API#

WELL NAME

LOCATION

(Proposed PZ MesaVerde)

43-047-39049 Bonanza 9-25-42-6 Sec 6 T09S R25E 1857 FNL 0567 FEL

This office has no objection to permitting the well at this time.

/s/ Michael L. Coulthard

pcc:

File - Bonanza Unit

Division of Oil Gas and Mining

Central files Agr. Sec. Chron Fluid Chron

MCoulthard:mc:2-12-07



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA Division Director JON M. HUNTSMAN, JR.

GARY R. HERBERT Lieutenant Governor

February 12, 2007

Enduring Resources, LLC 475 17th St., Ste. 1500 Denver, CO 80202

Re: Bonanza 9-25-42-6 Well, 1857' FNL, 567' FEL, SE NE, Sec. 6, T. 9 South, R. 25 East, Uintah County, Utah

#### Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann.§ 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-39049.

Sincerely,

Gil Hunt

Associate Director

pab Enclosures

cc: Uintah County Assessor (via e-mail)

Bureau of Land Management, Vernal District Office

Operator:	Enduring Resou	irces, LLC	
Well Name & Number	Bonanza 9-25-4	2-6	
API Number:	43-047-39049		
Lease:	UTU-81217		
Location: SE NE	Sec. <u>6</u>	T. 9 South	R. 25 East

#### **Conditions of Approval**

#### 1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

#### 2. Notification Requirements

Notify the Division with 24 hours of spudding the well.

• Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

 Contact Dustin Doucet at (801) 538-5281 office (801) 733-0983 home

#### 3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

- 4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.
- 5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

#### STATE OF UTAH

DEPARTMENT OF NATURAL RESOURCES

F	ΟI	₹	VI	Ś

	DIVISION OF OIL, GAS	S AND MINING		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-81217
SUNDR	RY NOTICES AND RE	EPORTS ON WE	LLS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:     n/a      7. UNIT or CA AGREEMENT NAME:
Do not use this form for proposals to dri	rill new wells, significantly deepen existing value at laterals. Use APPLICATION FOR PERM	wells below current bottom-hole d	epth, reenter plugged wells, or to	n/a
1. TYPE OF WELL OIL WEL	8. WELL NAME and NUMBER: Bonanza 9-25-42-6			
2. NAME OF OPERATOR:	C			9. API NUMBER: 4304739049
Enduring Resources, LL  3. ADDRESS OF OPERATOR:	.0		PHONE NUMBER:	10. FIELD AND POOL, OR WILDCAT:
475 17th Street, Suite 1500	Denver STATE	CO ZIP 80202	(303) 350-5114	Wildcat
4. LOCATION OF WELL  FOOTAGES AT SURFACE: 1857  QTR/QTR, SECTION, TOWNSHIP, RA	E FEATT - A MADE STREET,	9S 25E S		COUNTY: <b>Uintah</b> STATE:
		Thinks fault the There		UTAH
11. CHECK APP	PROPRIATE BOXES TO	INDICATE NATURE	OF NOTICE, REP	ORT, OR OTHER DATA
TYPE OF SUBMISSION			TYPE OF ACTION	
NOTICE OF INTENT (Submit in Duplicate)  Approximate date work will start:	ACIDIZE  ALTER CASING  CASING REPAIR  CHANGE TO PREVIOUS PLA	NEW COM	RE TREAT NSTRUCTION DR CHANGE	REPERFORATE CURRENT FORMATION  SIDETRACK TO REPAIR WELL  TEMPORARILY ABANDON  TUBING REPAIR
SUBSEQUENT REPORT (Submit Original Form Only)  Date of work completion:	CHANGE TUBING CHANGE WELL NAME CHANGE WELL STATUS COMMINGLE PRODUCING F	PLUG BAI PRODUCTORMATIONS RECLAMA	D ABANDON CK TION (START/RESUME) ATION OF WELL SITE LETE - DIFFERENT FORMATION	VENT OR FLARE  WATER DISPOSAL  WATER SHUT-OFF  OTHER: Request for APD  Extension
	COMPLETED OPERATIONS. Clea			nis Application for Permit to Drill
	2-2008 12-2009	Approve Utah Div Oil, Gas a	d by the rision of nd Mining	
		Date: 07	2-950	
NAME (PLEASE PRINT) Alvin R. (	(AI) Arlian	тт	Landman - Reg	ulatory Specialist
SIGNATURE		DA	2/4/2008	
This space for State use only)				

COPY SENT TO OPERATOR

(See Instructions on Reverse Side)

RECEIVED FEB 1 1 2008



#### Application for Permit to Drill Request for Permit Extension Validation

(this form should accompany the Sundry Notice requesting permit extension)

Well Name: Bonanza 9-25-42-6  Location: 1857' FNL - 567' FEL, SENE, Sec 6, T9S-R25E  Company Permit Issued to: Enduring Resources, LLC  Date Original Permit Issued: 2/12/2007
The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.
Following is a checklist of some items related to the application, which should be verified.
If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes□No□
Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☑
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes□No☑
Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☑
Has the approved source of water for drilling changed? Yes□No☑
Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes□No☑
Is bonding still in place, which covers this proposed well? Yes ☑No ☐
2/4/2008
Signature Date
Title: Landman - Regulatory Specialist
Representing: Enduring Resources, LLC
RECEIVE

RECEIVED FEB 1 1 2008

## RECEIVED

Form 3160 -3 (April 2004)

FEB - 9 2007

FORM APPROVED OMB No. 1004-0137 Expires March 31, 2007

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

5. Lease Serial No. UTU-81217

BUREAU OF LAND MAN APPLICATION FOR PERMIT TO	AGEMENT BLM VEF	INAL,	UTU-81217 6 A Inian, Allotee N/A	or Tribe Na	ame
ia. Type of work: DRILL REENTE		7 If Unit or CA Agreement, Name and No. N/A Bongnze		`	
lb. Type of Well: Oil Well Gas Well Other	8. Lease Name and N Bonanza 9-25-				
2. Name of Operator  Enduring Resources, LLC			9. API Well No.	73	7049
3a. Address 475 17th Street, Suite 1500 Denver, CO 80202	3b. Phone No. (include area code) 303-350-5719		10. Field and Pool, or l Undesignated		
4. Location of Well (Report location clearly and in accordance with an At surface SENE 1857' FNL - 567' FEL	y Skate requirements.*)		11. Sec., T. R. M. or B Sec 6 T9S R25		
At proposed prod. zone Same as surface  14. Distance in miles and direction from nearest town or post office*  43.5 miles South of Vernal, UT			12. County or Parish Uintah		13. State
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)	16. No. of acres in lease 640	oing Unit dedicated to this well			
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.  1000' +	19. Proposed Depth <b>6840</b> *		BIA Bond No. on file - UTB000173		-
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 5457' RT-KB	22. Approximate date work will sta 04/30/2007	rt*	23. Estimated duration 20 days		
	24. Attachments		: .		
<ol> <li>The following, completed in accordance with the requirements of Onshor</li> <li>Well plat certified by a registered surveyor.</li> <li>A Drilling Plan.</li> <li>A Surface Use Plan (if the location is on National Forest System SUPO shall be filed with the appropriate Forest Service Office).</li> </ol>	4. Bond to cover t Item 20 above).  Lands, the 5. Operator certific	he operation cation specific info	ns unless covered by an		·
25. Signature Luttle Bissett Name (Printed Typed)  Evette Bissett			i	Date 12/05	5/2007
Title Regulatory Compliance Assistant					
Approved by Signature	Name (Printed/Typed)  JERRY KENCZI	KA		Date 3-13	-2008
Title Assistant Field Manager  Application approval does not warrant or certify that the applicant hold	Office VER	VAL F	ELD OFFICE	•	,
Application approval does not warrant or certify that the applicant hold conduct operations thereon.  Conditions of approval, if any, are attached.	s legal or equitable title to those righ	ts in the sub	ject lease which would e	entitle the ap	plicant to
Title 18 HSC Section 1001 and Title 43 HSC Section 1212 make it a cr	ime for any nerson knowingly and	willfully to n	nake to any department o	or agency o	f the United

\*(Instructions on page 2)

States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

CONDITIONS OF APPROVAL ATTACHED

NOTICE OF APPROVAL

RECEIVED
MAR 1 8 2008

DIV. OF OIL, GAS & MISSING

NOS 8/21/06 06/W1651A



#### UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT VERNAL FIELD OFFICE**

(435) 781-4400



#### CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company: Enduring Resources, LLC

Location:

**SENE. Sec 6. T9S. R25E** 

Well No:

Bonanza 9-25-42-6

Lease No:

UTU-81217

API No:

43-047-39049

**Agreement:** N/A

Title	Name	Office Phone Number	<b>Cell Phone Number</b>
Petroleum Engineer:	Matt Baker	(435) 781-4490	(435) 828-4470
Petroleum Engineer:	Michael Lee	(435) 781-4432	(435) 828-7875
Petroleum Engineer:	James Ashley	(435) 781-4470	(435) 828-7874
Petroleum Engineer:	Ryan Angus	(435) 781-4430	(435) 828-7368
Supervisory Petroleum Technician:	Jamie Sparger	(435) 781-4502	(435) 828-3913
NRS/Enviro Scientist:	Karl Wright	(435) 781-4484	(435) 828-7381
NRS/Enviro Scientist:	Holly Villa	(435) 781-4404	
NRS/Enviro Scientist:	•	(435) 781-4476	
NRS/Enviro Scientist:	Chuck Macdonald	(435) 781-4441	(435) 828-7481
NRS/Enviro Scientist:	Michael Cutler	(435) 781-3401	(435) 828-3546
NRS/Enviro Scientist:	Anna Figueroa	(435) 781-3407	(435) 828-3548
NRS/Enviro Scientist:	Verlyn Pindell	(435) 781-3402	(435) 828-3547
NRS/Enviro Scientist:	Darren Williams	(435) 781-4447	
NRS/Enviro Scientist:	Nathan Packer	(435) 781-3405	(435) 828-3545
· ·		Fax: (435) 781-3425	

#### A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR FIELD REPRESENTATIVE TO INSURE COMPLIANCE

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. This permit is approved for a two (2) year period, or until lease expiration, whichever occurs first. An additional extension, up to two (2) years, may be applied for by sundry notice prior to expiration.

#### **NOTIFICATION REQUIREMENTS**

Location Construction (Notify NRS/Enviro Scientist)	-	Forty-Eight (48) hours prior to construction of location and access roads.
Location Completion (Notify NRS/Enviro Scientist)	.   -	Prior to moving on the drilling rig.
Spud Notice (Notify Petroleum Engineer)	-	Twenty-Four (24) hours prior to spudding the well.
Casing String & Cementing (Notify Supervisory Petroleum Technician)	-	Twenty-Four (24) hours prior to running casing and cementing all casing strings
BOP & Related Equipment Tests (Notify Supervisory Petroleum Technician)	-	Twenty-Four (24) hours prior to initiating pressure tests
First Production Notice (Notify Petroleum Engineer)	-	Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days

Page 2 of 7 Well: Bonanza 9-25-42-6 3/11/2008

# SURFACE USE PROGRAM CONDITIONS OF APPROVAL (COAs)

#### **General Surface COAs**

- If there is an active Gilsonite mining operation within 2 miles of the well location, operator shall notify the Gilsonite operator at least 48 hours prior to any blasting during construction.
- If paleontological materials are uncovered during construction, the operator is to immediately stop work and contact the Authorized Officer (AO). A report will be prepared by a BLM permitted paleontologist and submitted to the AO at the completion of surface disturbing activities.

## **Site Specific Conditions of Approval**

Surface Conditions of Approval or monitoring are listed in the Surface Use Plan of the APD.

**Applicant Committed Measures:** The applicant has agreed to the following measures to mitigate the effects of the proposal:

#### Black-footed ferret

- Because the Project Area is within the Black-footed ferret PMZ (Primary Management Zone)
  and ferrets have been observed by biologists in scattered prairie dog complexes 1 mile east of
  the Project Area there would be a timing restriction to minimize disturbance during the breeding
  season from March 1 –July 15.
- It is required that the operator notifies a wildlife biologist from the BLM VFO 10 days before any
  construction or drilling occurs whether it is outside or within the Black-footed ferret timing
  restriction. This will give the biologists a chance to trap and relocate the species out of the
  Project Area.
- If it is anticipated that construction or drilling would occur during the timing restriction, a BLM
   Wildlife Biologist would be notified so surveys can be conducted. Depending upon the results of the survey, permission to proceed may or may not be recommended or granted.

## Mitigation Measures for Soils/Vegetation:

Within 90 calendar days of the approval date for this Application for Permit to Drill (APD), the operator/lessee will submit to the Authorized Officer (AO), on Sundry Notice Form 3160-5, an Interim Surface Reclamation Plan for surface disturbance on well pad, access road, and pipeline. At a minimum, this will include the Best Management Practice of the reshaping of the pad to the original contour to the extent possible; the re-spreading of the top soil for all areas not needed for production purposes; and, reseeding the area using appropriate reclamation methods and the interim and final reclamation seed mixes shown below.

#### Interim seed mix:

Bottlebrush Squirreltail grass Elymus elymoides 4 lbs/acre
Hy-crest Crested Wheat grass Agropyron cristatum
Needle and Thread grass Stipa comata 4 lbs/acre
4 lbs/acre

Page 3 of 7 Well: Bonanza 9-25-42-6 3/11/2008

#### Final reclamation seed mix:

Bottlebrush Squirreltail grass
Hy-crest Crested Wheat grass
Wyoming Big Sagebrush
Shadscale saltbush

Elymus elymoides
Agropyron cristatum
3 lbs/acre

All pounds are in pure live seed.

All seed and mulch will be certified weed free.

Drill seeding is the preferred method.

Rates are set for drill seeding; double the rate if broadcasting.

If broadcasting seed: The seed will be walked into the soil with a dozer immediately after the seeding is completed, or covered by soil using a drag chain.

The seedbed will be prepared prior to seeding by ripping approximately 6" deep using a dozer or roughening the ground surface. The preferred time of year to plant seed is the fall or early winter before the soil freezes.

Reseeding may be required if initial seeding is not successful.

### Mitigation Measures for Invasive and Noxious Weeds:

• To mitigate the potential impacts, the operator would be required to control invasive or noxious weed species along the access road, pipeline corridors, and on the well pad. The operator would also be required to submit a Pesticide Use Plan (PUP) to the BLM and receive approval prior to the application of herbicides or other potentially hazardous chemicals on Federal Lands.

Page 4 of 7 Well: Bonanza 9-25-42-6 3/11/2008

#### DOWNHOLE CONDITIONS OF APPROVAL

#### SITE SPECIFIC DOWNHOLE CONDITIONS OF APPROVAL

- A surface casing shoe integrity test shall be performed.
- Production casing cement shall be at a minimum 200' above the surface shoe.

#### DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- All requirements listed in Onshore Order #2 III. E. Special Drilling Operations are applicable for air drilling of surface hole.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned.
   Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily
  drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order
  No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a
  test pump with a chart recorder and NOT by the rig pumps. Test shall be reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- Cement baskets shall not be run on surface casing.
- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is
  encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Vernal
  Field Office.
- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.
- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.

Page 5 of 7 Well: Bonanza 9-25-42-6 3/11/2008

- While actively drilling, chronologic drilling progress reports shall be filed directly with the BLM, Vernal
  Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the
  well is completed.
- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- Please submit an electronic copy of all other logs run on this well in LAS format to UT\_VN\_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

Page 6 of 7 Well: Bonanza 9-25-42-6 3/11/2008

#### **OPERATING REQUIREMENT REMINDERS:**

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.
- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.
- Should the well be successfully completed for production, the BLM Vernal Field office must be
  notified when it is placed in a producing status. Such notification will be by written communication
  and must be received in this office by not later than the fifth business day following the date on which
  the well is placed on production. The notification shall provide, as a minimum, the following
  informational items:
  - o Operator name, address, and telephone number.
  - Well name and number.
  - Well location (¼¼, Sec., Twn, Rng, and P.M.).
  - Date well was placed in a producing status (date of first production for which royalty will be paid).
  - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
  - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
  - Unit agreement and/or participating area name and number, if applicable.
  - Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core

Page 7 of 7 Well: Bonanza 9-25-42-6 3/11/2008

data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.

- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field Office
  Petroleum Engineers will be provided with a date and time for the initial meter calibration and all
  future meter proving schedules. A copy of the meter calibration reports shall be submitted to the
  BLM Vernal Field Office. All measurement facilities will conform to the API standards for liquid
  hydrocarbons and the AGA standards for natural gas measurement. All measurement points shall
  be identified as the point of sale or allocation for royalty purposes.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to
  the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs first.
  All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All
  product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in
  accordance with Onshore Oil & Gas Order No. 3.
- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering
  lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a
  suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval may be
  obtained orally, but such approval does not waive the written report requirement.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover
  equipment shall be removed from a well to be placed in a suspended status without prior approval of
  the BLM Vernal Field Office. If operations are to be suspended for more than 30 days, prior
  approval of the BLM Vernal Field Office shall be obtained and notification given before resumption of
  operations.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

## STATE OF HEAL

DEPARTMENT OF NATURAL RESOURCES			
DIVISION OF OIL, GAS AND MINING	5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-81217		
SUNDRY NOTICES AND REPORTS ON WELLS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:		
	n/a 7. UNIT or CA AGREEMENT NAME:		
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	n/a		
1. TYPE OF WELL OIL WELL GAS WELL OTHER	8. WELL NAME and NUMBER:		
2. NAME OF OPERATOR:	Bonanza 9-25-42-6  9. API NUMBER:		
Enduring Resources, LLC	4304739049		
3. ADDRESS OF OPERATOR: PHONE NUMBER: (202) 250 5114	10. FIELD AND POOL, OR WILDCAT:  Wildcat		
475 17th Street, Suite 1500 CITY Denver STATE CO ZIP 80202 (303) 350-5114	VVIIdcat		
FOOTAGES AT SURFACE: 1857' FNL - 567' FEL	соинту: Uintah		
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENE 6 9S 25E S	STATE: UTAH		
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPO	ORT, OR OTHER DATA		
TYPE OF SUBMISSION TYPE OF ACTION			
NOTICE OF INTENT	REPERFORATE CURRENT FORMATION		
(Submit in Duplicate)	SIDETRACK TO REPAIR WELL		
Approximate date work will start: CASING REPAIR NEW CONSTRUCTION	TEMPORARILY ABANDON		
CHANGE TO PREVIOUS PLANS OPERATOR CHANGE	TUBING REPAIR		
CHANGE TUBING PLUG AND ABANDON	VENT OR FLARE		
SUBSEQUENT REPORT (Submit Original Form Only)  CHANGE WELL NAME  PLUG BACK  PRODUCTION (START/RESUME)	WATER DISPOSAL  WATER SHUT-OFF		
Date of work completion:  CHANGE WELL STATUS  PRODUCTION (START/RESUME)  COMMINGLE PRODUCING FORMATIONS  RECLAMATION OF WELL SITE	✓ other: Request for APD		
CONVERT WELL TYPE RECOMPLETE - DIFFERENT FORMATION	Extension		
<ol> <li>DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volun</li> </ol>	165, 616.		
Enduring Resources, LLC respectfully request an extension to the expiration date of this Ap	oplication for Permit to Drill		
FROM: 2/12/2009			
TO: 2/12/2010 Tul			
I Itah i IMSIDII VI			
Oil Gae and Willing			
Date: 3 12 2009	^		
Initials: KS Date:	<del>†</del>		
By:			
CONFIDENTIAL			
CONTIDENTIAL			
	1.4.2.0		
NAME (PLEASE PRINT) Alvin R. (AI) Arlian TITLE Landman - Regu	ulatory Specialist		
SIGNATURE DATE 1/26/2009			
OTICE			

(This space for State use only)

RECEIVED
FEB 1 0 2009
DIV. OF OIL, GAS & MINING



## Application for Permit to Drill Request for Permit Extension Validation

(this form should accompany the Sundry Notice requesting permit extension)

Well Name: Bonanza 9-25-42-6 Location: 1857' FNL - 567' FEL SENE Sec. 6, 9S-25E Company Permit Issued to: Enduring Resources, LLC Date Original Permit Issued: 2/12/2007					
The undersigned as owner with legal rights to drill on the pro- above, hereby verifies that the information as submitted in the approved application to drill, remains valid and does not requ	ne previously				
Following is a checklist of some items related to the applicat verified.	ion, which should be				
If located on private land, has the ownership changed, if so, agreement been updated? Yes□No□	has the surface				
Have any wells been drilled in the vicinity of the proposed we the spacing or siting requirements for this location? Yes□ No.					
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes□No☑					
Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes□No ☑					
Has the approved source of water for drilling changed? Yes□No☑					
Have there been any physical changes to the surface location which will require a change in plans from what was discussed evaluation? Yes□No☑					
Is bonding still in place, which covers this proposed well? Ye	s☑No□				
For Discount 1/26/2	009				
Signature	Date				
Title: Administrative Assistant					
Representing: Enduring Resources, LLC	RECEIVED FEB 1 0 2009				

	STATE OF UTAH	2656			FORM 9		
DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING					<b>5.LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU-81217		
SUNDRY NOTICES AND REPORTS ON WELLS				6. IF I	NDIAN, ALLOTTEE OR TRIBE NAME:		
	sals to drill new wells, significantly deep ugged wells, or to drill horizontal laterals			7.UNI	Г <b>ог CA AGREEMENT NAME:</b> NZA		
1. TYPE OF WELL Gas Well					<b>L NAME and NUMBER:</b> NZA 9-25-42-6		
2. NAME OF OPERATOR: Enduring Resources, LLC					<b>9. API NUMBER:</b> 43047390490000		
<b>3. ADDRESS OF OPERATOR:</b> 475 17th Street, Suite 1500,	Denver, CO, 80202 30		HONE NUMBER: 5114 Ext		9. FIELD and POOL or WILDCAT: WILDCAT		
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1857 FNL 0567 FEL QTR/QTR, SECTION, TOWNSHI	IP, RANGE, MERIDIAN:				COUNTY: UINTAH		
Qtr/Qtr: SENE Section: 06	Township: 09.0S Range: 25.0E Meridiar	n: S		UTAH			
CHE	CK APPROPRIATE BOXES TO INDIC	CATE NA	ATURE OF NOTICE, REPOR	RT, OR OT	HER DATA		
TYPE OF SUBMISSION			TYPE OF ACTION				
	ACIDIZE		ALTER CASING		CASING REPAIR		
NOTICE OF INTENT Approximate date work will start: 3/11/2010	CHANGE TO PREVIOUS PLANS	_	CHANGE TUBING		CHANGE WELL NAME		
	☐ CHANGE WELL STATUS	_	COMMINGLE PRODUCING FORMATIO	ns L	CONVERT WELL TYPE		
SUBSEQUENT REPORT Date of Work Completion:	☐ DEEPEN ☐ OPERATOR CHANGE	_	FRACTURE TREAT		NEW CONSTRUCTION  PLUG BACK		
	PRODUCTION START OR RESUME	_	RECLAMATION OF WELL SITE		RECOMPLETE DIFFERENT FORMATION		
SPUD REPORT Date of Spud:	REPERFORATE CURRENT FORMATION	_	SIDETRACK TO REPAIR WELL		TEMPORARY ABANDON		
	☐ TUBING REPAIR		VENT OR FLARE		WATER DISPOSAL		
DRILLING REPORT	☐ WATER SHUTOFF	□ s	SI TA STATUS EXTENSION	1	APD EXTENSION		
Report Date:	☐ WILDCAT WELL DETERMINATION		OTHER	оті	HER:		
	MPLETED OPERATIONS. Clearly show all I			ıs, volumes,	etc.		
Request fo	r one-year extension to APD	) term	nination date.		Approved by the		
					Utah Division of		
				Oi	I, Gas and Mining		
				Date	March 11, 2010		
				Date:			
				By: <u> </u>	rolly ll		
NAME (PLEASE PRINT) Alvin Arlian	<b>PHONE NUMB</b> 303 350-5114	ER	TITLE Landman-Regulatory				
SIGNATURE N/A			<b>DATE</b> 3/11/2010				



## The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

**Electronic Permitting System - Sundry Notices** 

## Request for Permit Extension Validation Well Number 43047390490000

**API:** 43047390490000 **Well Name:** BONANZA 9-25-42-6

Location: 1857 FNL 0567 FEL QTR SENE SEC 06 TWNP 090S RNG 250E MER S

Company Permit Issued to: ENDURING RESOURCES, LLC

**Date Original Permit Issued: 2/12/2007** 

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

<ul> <li>If located on private land, has the ownership changed, if so, has the surface agreement been updated?</li> <li>Yes</li> </ul>
• Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location?   Yes  No
• Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well?  Yes No
• Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location? ( Yes ( No
• Has the approved source of water for drilling changed?   Yes  No
<ul> <li>Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation?</li> <li>Yes</li> <li>No</li> </ul>
• Is bonding still in place, which covers this proposed well?   • Yes   • No Utah Division of Oil, Gas and Mining

Signature: Alvin Arlian Date: 3/11/2010

Title: Landman-Regulatory Representing: ENDURING RESOURCES, LLC Date:

**Date:** March 11, 2010

By:

Form 3160-5 (August 2007)

#### **UNITED STATES** DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

RECEIVED

FORM APPROVED OMB NO. 1004-0135 Expires: July 31, 2010

FEB 1 6 2010

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

6. If Indian, Allottee or Tribe Name

5. Lease Serial No.

UTU81217

1. Type of Well	LICATE - Other instruc	tions on reverse side.		7. If Unit or CA/Agre	ement, Name and/or No		
					7. If Unit or CA/Agreement, Name and/or No		
Oil Well 🛛 Gas Well 🔲 Other	r			8. Well Name and No. BONANZA 9-25-42-6			
<ol><li>Name of Operator ENDURING RESOURCES, LLC</li></ol>	Contact: / C E-Mail: aarlian@er	AL ARLIAN duringresources.com		9. API Well No. 43-047-39049	7/14/1/		
3a. Address 475 17TH STREET, SUITE 150 DENVER, CO 80202	3b. Phone No. (include area cod Ph: 303-350-5114 Fx: 303-573-0461	e)	10. Field and Pool, or Exploratory UNDESIGNATED				
4. Location of Well (Footage, Sec., T.,	R., M., or Survey Description	)		<ol> <li>County or Parish,</li> </ol>	and State		
Sec 6 T9S R25E SENE 1857FN 40.04001 N Lat, 109.08113 W L			UINTAH COUNTY, UT		TY, UT		
12. CHECK APPRO	OPRIATE BOX(ES) TO	INDICATE NATURE OF	NOTICE, REI	PORT, OR OTHER	R DATA		
TYPE OF SUBMISSION		TYPE O	F ACTION	· · · · · · · · · · · · · · · · · · ·	—		
	☐ Acidize	☐ Deepen	- Productio	n (Start/Resume)	Water Shut-Off		
Notice of Intent	Alter Casing	Fracture Treat	☐ Reclamat		Well Integrity		
☐ Subsequent Report	Casing Repair	New Construction	Recomple		Other		
☐ Final Abandonment Notice	Change Plans	Plug and Abandon			Change to Origina		
Timal Abandonment Notice	_		Temporar		PD		
13. Describe Proposed or Completed Opera	Convert to Injection	□ Plug Back	□ Water Dis	-			
Request a 2-year extension to A	IONS OF APPROVAL	ATTACHED F	VERNAL FIE				
			RECL.				
14. I hereby certify that the foregoing is tr	Electronic Submission #8	31504 verified by the BLM We GRESOURCES, LLC, sent to	II Information S the Vernal	ystem PE	CEVED		
	Committed to AFMSS f	or processing by GAIL JENKI	NS on 02/17/20	10 () API	Ont onen		
Name (Printed/Typed) AL ARLIAN		Title OPERA	ATIONS		R 0 1 2010		
Signature (Electronic Sub	omission)	Date 02/16/2	2010	DIV. OF O	L, GAS & MINING		
	THIS SPACE FO	R FEDERAL OR STATE	OFFICE USI				
Approved By 2		Title Pet	roleum	EngineerA	R 2010		
	Approval of this notice does	not warrant or		<u>-</u>			



## **CONDITIONS OF APPROVAL**

## **Enduring Resources, LLC**

## **Notice of Intent APD Extension**

Lease:

UTU-81217

Well:

Bonanza 9-25-42-6

Location:

SENE Sec 6-T9S-R25E

An extension for the referenced APD is granted with the following conditions:

- 1. The extension and APD shall expire on 3/13/2012.
- 2. No other extension shall be granted.

If you have any other questions concerning this matter, please contact Ryan Angus of this office at (435) 781-4430

RECEIVED
APR 0 1 2010

	STATE OF UTAH		FORM 9		
	DEPARTMENT OF NATURAL RESOURCE DIVISION OF OIL, GAS, AND MIN	5.LEASE DESIGNATION AND SERIAL NUMBER: UTU-81217			
SUNDF	RY NOTICES AND REPORTS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:			
Do not use this form for proposition bottom-hole depth, reenter plu DRILL form for such proposals.	existing wells below current lse APPLICATION FOR PERMIT TO	7.UNIT or CA AGREEMENT NAME: BONANZA			
1. TYPE OF WELL Gas Well			8. WELL NAME and NUMBER: BONANZA 9-25-42-6		
2. NAME OF OPERATOR: Enduring Resources, LLC			9. API NUMBER: 43047390490000		
3. ADDRESS OF OPERATOR: 475 17th Street, Suite 1500,	Denver, CO, 80202 303 3	PHONE NUMBER: 350-5114 Ext	9. FIELD and POOL or WILDCAT: WILDCAT		
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1857 FNL 0567 FEL			COUNTY: UINTAH		
QTR/QTR, SECTION, TOWNSHI Qtr/Qtr: SENE Section: 06	IP, RANGE, MERIDIAN: Township: 09.0S Range: 25.0E Meridian: S	5	STATE: UTAH		
11. CHE	CK APPROPRIATE BOXES TO INDICAT	E NATURE OF NOTICE, REPORT,	OR OTHER DATA		
TYPE OF SUBMISSION		TYPE OF ACTION			
l .	CHANGE TO PREVIOUS PLANS CHANGE WELL STATUS DEEPEN OPERATOR CHANGE PRODUCTION START OR RESUME REPERFORATE CURRENT FORMATION TUBING REPAIR WATER SHUTOFF WILDCAT WELL DETERMINATION OMPLETED OPERATIONS. Clearly show all per	ermination date.	CASING REPAIR  CHANGE WELL NAME  CONVERT WELL TYPE  NEW CONSTRUCTION  PLUG BACK  RECOMPLETE DIFFERENT FORMATION  TEMPORARY ABANDON  WATER DISPOSAL  ✓ APD EXTENSION  OTHER:  Folumes, etc.  Approved by the  Utah Division of  Oil, Gas and Mining  ate: March 11, 2010		
NAME (PLEASE PRINT)	PHONE NUMBER				
Alvin Arlian SIGNATURE	303 350-5114	Landman-Regulatory  DATE			
N/A		3/11/2010			



## The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

**Electronic Permitting System - Sundry Notices** 

## Request for Permit Extension Validation Well Number 43047390490000

**API:** 43047390490000 **Well Name:** BONANZA 9-25-42-6

Location: 1857 FNL 0567 FEL QTR SENE SEC 06 TWNP 090S RNG 250E MER S

Company Permit Issued to: ENDURING RESOURCES, LLC

**Date Original Permit Issued:** 2/12/2007

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

require revi	sion. Following is a che	cklist of sor	me items related t	to the applica	tion, which should be verified.
	ated on private land, ha ed? 📗 Yes 🌘 No	s the owne	rship changed, if s	so, has the su	rface agreement been
	any wells been drilled in requirements for this lo			l well which v	vould affect the spacing or
	here been any unit or ot s proposed well? 🔘 Y		nents put in place	that could aff	fect the permitting or operatio
	there been any changes the proposed location?			g ownership,	or rightof- way, which could
• Has t	he approved source of w	ater for dr	illing changed? (	Yes 📵 N	No
	there been any physical ge in plans from what w				route which will require a Yes 📵 No
• Is bo	nding still in place, whic	h covers th	is proposed well?	Yes 🗍	Approved by the No Utah Division of Oil, Gas and Mining
Signature:	Alvin Arlian	Date:	3/11/2010	_	1. 1. 1. 2010
Title:	Landman-Regulatory Rep	oresenting:	ENDURING RESOL	JRCES, LLC	Pate: March 11, 2010
					F ( ) ( ) ( ) ( ) ( ) ( ) ( )

Do not use this form for proposition bottom-hole depth, reenter plu DRILL form for such proposals.  1. TYPE OF WELL Gas Well  2. NAME OF OPERATOR: Enduring Resources, LLC  3. ADDRESS OF OPERATOR: 475 17th Street, Suite 1500, 4. LOCATION OF WELL FOOTAGES AT SURFACE: 1857 FNL 0567 FEL	PE OF WELL Well  ME OF OPERATOR: ring Resources, LLC  PHONE NUMBER: 17th Street, Suite 1500 , Denver, CO, 80202  ACTION OF WELL TAGES AT SURFACE:				5.LEASE DESIGNATION AND SERIAL NUMBER: UTU-81217  6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7.UNIT OF CA AGREEMENT NAME: BONANZA  8. WELL NAME and NUMBER: BONANZA 9-25-42-6  9. API NUMBER: 43047390490000  9. FIELD and POOL OF WILDCAT: WILDCAT  COUNTY: UINTAH  STATE:		
11. CHE	CK APPROPRIATE BOXES TO INDICA	TE N	ATURE OF NOTICE, REPORT	, OR OTI	HER DATA		
TYPE OF SUBMISSION			TYPE OF ACTION	<u>,                                      </u>			
NOTICE OF INTENT Approximate date work will start: 2/12/2011  SUBSEQUENT REPORT Date of Work Completion:	☐ ACIDIZE ☐ CHANGE TO PREVIOUS PLANS ☐ CHANGE WELL STATUS ☐ DEEPEN		ALTER CASING CHANGE TUBING COMMINGLE PRODUCING FORMATIONS FRACTURE TREAT		CASING REPAIR CHANGE WELL NAME CONVERT WELL TYPE NEW CONSTRUCTION		
SPUD REPORT Date of Spud:	☐ PRODUCTION START OR RESUME ☐ REPERFORATE CURRENT FORMATION ☐ TUBING REPAIR		PLUG AND ABANDON RECLAMATION OF WELL SITE SIDETRACK TO REPAIR WELL VENT OR FLARE		PLUG BACK  RECOMPLETE DIFFERENT FORMATION  TEMPORARY ABANDON  WATER DISPOSAL		
☐ DRILLING REPORT Report Date:	<ul><li>□ WATER SHUTOFF</li><li>□ WILDCAT WELL DETERMINATION</li></ul>	_	SI TA STATUS EXTENSION	ОТН	APD EXTENSION  ER:		
	MPLETED OPERATIONS. Clearly show all per an one-year extension to API		rmination date.	A	approved by the Jtah Division of Jtah Gas and Mining 02/15/2011		
NAME (PLEASE PRINT) Alvin Arlian	<b>PHONE NUMBER</b> 303 350-5114	l .	TITLE Landman-Regulatory				
SIGNATURE N/A			<b>DATE</b> 2/10/2011				



## The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

**Electronic Permitting System - Sundry Notices** 

### Request for Permit Extension Validation Well Number 43047390490000

**API:** 43047390490000 **Well Name:** BONANZA 9-25-42-6

Location: 1857 FNL 0567 FEL QTR SENE SEC 06 TWNP 090S RNG 250E MER S

Company Permit Issued to: ENDURING RESOURCES, LLC

**Date Original Permit Issued: 2/12/2007** 

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

une revision. Following is a checklist of some items related to the application, which should be verified.
<ul> <li>If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes No</li> </ul>
<ul> <li>Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location?</li> <li>Yes</li> <li>No</li> </ul>
<ul> <li>Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well?</li> <li>Yes</li> <li>No</li> </ul>
<ul> <li>Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location? Yes No</li> </ul>
• Has the approved source of water for drilling changed?   Yes  No
<ul> <li>Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation?</li> <li>Yes</li> <li>No</li> </ul>
• Is bonding still in place, which covers this proposed well?   Yes   No

**Signature:** Alvin Arlian **Date:** 2/10/2011

Title: Landman-Regulatory Representing: ENDURING RESOURCES, LLC



## State of Utah

### DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

February 17, 2012

Al Arlian Enduring Resources, LLC 511-16<sup>th</sup> Street, Ste. 700 Denver, CO 80202

Re:

APD Rescinded – Bonanza 9-25-42-6, Sec.6 T.9S, R.25E

Uintah County, Utah API No. 43-047-39049

Dear Mr. Arlian:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on February 12, 2007. On February 12, 2008, March 11, 2009, March 11, 2010 and February 15, 2011 the Division granted a one-year APD extension. On February 10, 2012, you requested that the APD be rescinded. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective February 10, 2012.

A new APD must be filed with this office for approval <u>prior</u> to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

Diana Mason

**Environmental Scientist** 

cc:

Well File

Bureau of Land Management, Vernal



## United States Department of the Interior



### BUREAU OF LAND MANAGEMENT

Green River District-Vernal Field Office 170 South 500 East Vernal, UT 84078 (435) 781-4400 Fax: (435) 781-4410 http://www.blm.gov/ut/st/en/fo/vernal.html



MAR 2 7 2012

IN REPLY REFER TO: 3160 (UTG011)

Alvin R. Arlian Enduring Resources, LLC 511-16<sup>th</sup> Street, Suite 700 Denver, CO 80202

43 047 39049

RECEIVED
APR 0 4 2012

Re:

Notice of Expiration

Well No. Bonanza 9-25-42-6 SENE, Sec. 6, T9S, R25E Uintah County, Utah Lease No. UTU-81217 DIV. OF OIL, GAS & MINING

Dear Mr. Arlian:

The Application for Permit to Drill (APD) for the above-referenced well was approved on March 13, 2008. A two (2) year extension request of the original APD was received on February 16, 2010. The request was reviewed and the extension request was approved until March 13, 2012. According to our records, no known activity has transpired at the approved location. In view of the foregoing, this office is notifying you that the approval of the referenced application has expired. If you intend to drill at this location in the future, a new Application for Permit to Drill must be submitted.

This office requires a letter confirming that no surface disturbance has been made for this drill site. Any surface disturbance associated with the approved location of this well is to be rehabilitated. A schedule for this rehabilitation must be submitted to this office. Your cooperation in this matter is appreciated.

If you have any questions regarding this matter, please contact Cindy Severson at (435) 781-4455.

Sincerely,

Jerry Kenczka

Assistant Field Manager
Lands & Mineral Resources

CC:

**UDOGM**